JON S. CORZINE

Governor



State of New Jersey
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March 7, 2006

LISA P. JACKSON

By Facsimile and Regular U.S. Mail
The Honorable Alan J. Steinberg
Regional Administrator
United States Environmental Protection Agency
Region II
290 Broadway, Floor 26
New York, New York 10007

DRA

Re: Passaic River

Dear Regional Administrator Steinberg.

I am writing to confirm our phone conversation yesterday regarding USEPA Region II and New Jersey Department of Environmental Protection (NJDEP) promptly engaging in discussions concerning possible coordination of our agencies' respective efforts to develop interim remedial and removal measures for the Passaic River. As you know, in December 2005, NJDEP issued to Occidental Chemical Corporation, Tierra Solutions, Inc. and Maxus Energy Corporation (collectively "OCC") a Directive under the New Jersey Spill Compensation and Control Act directing those emitties to pay the costs (expected to be \$2.3 million) to engage Louis Berger & Associates to analyze and recommend a dredging and stabilization plan to address the hot spots of TCDD in the lower Passaic River within one year. After issuance of NJDEP's directive USEPA Region II provided to DEP and others a draft presentation on USEPA's recently initiated "Evaluation of Interim Remedial Measures," which is scheduled to be completed by early summer of this year.

NJDEP is willing to work with USEPA Region II to examine the scope of our respective agencies' IRM efforts to determine if there are efficiencies that can be had by coordinating or merging the two agencies' activities. In order to achieve an effective IRM, NJDEP considers the following to be key goals: a) the IRM should address control of the continuing releases of TCDD from the Passaic River sediments, which, for example, Malcolm Pirnie recently has confirmed to be an ongoing significant contributor to the condition of the river and the dangers associated therewith; b) the IRM should take into account Governor Jon S. Corzine's strong desire to reopen the Passaic River to navigation as part of a larger State effort to revitalize the economy of Newark and the State.

You indicated yesterday your willingness to have USEPA Region II engage in that dialogue. With your commitment to do so NIDEP would be willing to forgo enforcement of the Source Control Dredge Plan Directive issued to OCC for sixty to ninety days while our agencies work toward a solution that has a positive outcome for the environment and the people of New Jersey.

Should USEPA Region II and NJDEP reach consensus within sixty to ninety days on an IRM approach that achieves these goals in the near term, NJDEP would be willing to modify the scope of the State's Source Control Dredge Plan accordingly.

I would appreciate you confirming your commitment to have USEPA Region II engage in the IRM discussions described above so that I may have my office promptly coordinate a meeting of the appropriate technical and other staff from our agencies to begin this dialogue. Please note that technical staff of both agencies were already planning a meeting at the end of March. Given the time sensitivity of this matter, I believe that meeting should be held much sooner. Meanwhile, it would be best to provide direction to staff so they may identify all opportunities for coordination.

Time is of the essence in resolving this significant environmental problem for the citizens of New Jersey. I therefore ask for your prompt response and thank you for your consideration of this alternative approach which I hope will allow our agencies to reach consensus on a meaningful IRM that will make a true difference for the Passaic River.

Very truly yours,

Lisa P. Jackson Commissioner